

§ 202.51

Subpart D—Federal Gas

- 202.150 Royalty on gas.
- 202.151 Royalty on processed gas.
- 202.152 Standards for reporting and paying royalties on gas.

Subpart E—Solid Minerals, General [Reserved]

Subpart F—Coal

- 202.250 Overriding royalty interest.

Subpart G—Other Solid Minerals [Reserved]

Subpart H—Geothermal Resources

- 202.350 Scope and definitions.
- 202.351 Royalties on geothermal resources.
- 202.352 Minimum royalty.
- 202.353 Measurement standards for reporting and paying royalties.

Subpart I—OCS Sulfur [Reserved]

Subpart J—Gas Production from Indian Leases

- 202.550 How do I determine the royalty due on gas production?
- 202.551 How do I determine the volume of production for which I must pay royalty if my lease is not in an approved Federal unit or communitization agreement (AFA)?
- 202.552 How do I determine how much royalty I must pay if my lease is in an approved Federal unit or communitization agreement (AFA)?
- 202.553 How do I value my production if I take more than my entitled share?
- 202.554 How do I value my production that I do not take if I take less than my entitled share?
- 202.555 What portion of the gas that I produce is subject to royalty?
- 202.556 How do I determine the value of avoidably lost, wasted, or drained gas?
- 202.557 Must I pay royalty on insurance compensation for unavoidably lost gas?
- 202.558 What standards do I use to report and pay royalties on gas?

AUTHORITY: 5 U.S.C. 301 *et seq.*; 25 U.S.C. 396 *et seq.*, 396a *et seq.*, 2101 *et seq.*; 30 U.S.C. 181 *et seq.*, 351 *et seq.*, 1001 *et seq.*; 1701 *et seq.*; 31 U.S.C. 9701; 43 U.S.C. 1301 *et seq.*; 1331 *et seq.*, 1801 *et seq.*

Subpart A—General Provisions [Reserved]

30 CFR Ch. II (7–1–03 Edition)

Subpart B—Oil, Gas, and OCS Sulfur, General

SOURCE: 53 FR 1217, Jan. 15, 1988, unless otherwise noted.

§ 202.51 Scope and definitions.

(a) This subpart is applicable to Federal and Indian (Tribal and allotted) oil and gas leases (except leases on the Osage Indian Reservation, Osage County, Oklahoma) and OCS sulfur leases.

(b) The definitions in subparts B, C, D, and E, of part 206 of this title are applicable to subparts B, C, D, and J of this part.

[53 FR 1217, Jan. 15, 1988, as amended at 64 FR 43513, Aug. 10, 1999]

§ 202.52 Royalties.

(a) Royalties on oil, gas, and OCS sulfur shall be at the royalty rate specified in the lease, unless the Secretary, pursuant to the provisions of the applicable mineral leasing laws, reduces, or in the case of OCS leases, reduces or eliminates, the royalty rate or net profit share set forth in the lease.

(b) For purposes of this subpart, the use of the term *royalty(ies)* includes the term *net profit share(s)*.

§ 202.53 Minimum royalty.

For leases that provide for minimum royalty payments, the lessee shall pay the minimum royalty as specified in the lease.

Subpart C—Federal and Indian Oil

§ 202.100 Royalty on oil.

(a) Royalties due on oil production from leases subject to the requirements of this part, including condensate separated from gas without processing, shall be at the royalty rate established by the terms of the lease. Royalty shall be paid in value unless MMS requires payment in-kind. When paid in value, the royalty due shall be the value, for royalty purposes, determined pursuant to part 206 of this title multiplied by the royalty rate in the lease.

(b)(1) All oil (except oil unavoidably lost or used on, or for the benefit of, the lease, including that oil used off-lease for the benefit of the lease when such off-lease use is permitted by the